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February 22, 2021

VIA ELECTRONIC FILING

Jocelyn G. Boyd, Esquire
Chief Clerk & Administrator
Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia, South Carolina 29210

RE: Motion to Solicit Comments from Utilities and Other Interested Stakeholders Regarding
Measures to be Taken to Mitigate Impacts of Threats to Safe and Reliable Utility Service
Docket No: 2021- -A

Dear Ms. Boyd:

By this letter, the South Carolina Office of Regulatory Staff submits the enclosed Motion to Solicit Comments from Utilities and Other Interested Stakeholders Regarding Measures to be Taken to Mitigate Impacts of Threats to Safe and Reliable Utility Service for filing in your office.

Thank you for your assistance in this matter.

Sincerely,

s/Andrew M. Bateman

Encl.

cc: Jo Anne Wessinger-Hill, Esquire

February 22, 2021

Pursuant to S.C. Code Ann. Regs. 103-829 and other applicable rules of practice and procedure of the Public Service Commission of South Carolina (“Commission”), the South Carolina Office of Regulatory Staff (“ORS”) hereby moves that the Commission open a docket and require electric and natural gas utilities to provide information to the Commission regarding measures that have been, or will be taken, to: 1) mitigate the negative impacts of ice storms and other dangerous weather conditions to the provision of safe and reliable utility service, and 2) ensure peak customer demands on the utility system can be met during extreme weather scenarios.

In support of this Motion, ORS shows the following:

1. February 2021 brought extreme weather conditions throughout much of the United States including extreme cold and snow. Reports from Texas indicate, as of Thursday, February 18, 2021, as many as 200,000 energy customers are still without essential heat and many more

without potable water. Nearly 4.5 million utility customers in Texas went without power on Tuesday, February 16, 2021.¹

2. As reported by multiple news sources, merchant generators, electric, and natural gas providers in Texas were unable to meet the extreme customer demand and the independent energy grid system operator, required rolling blackouts to preserve generation and grid infrastructure. The rolling outages left utility customers without access to heat for a long duration. The cascading impact of long-term power outages and extreme weather conditions is impacting water and sewer providers and many customers in Texas have no access to potable water.²

3. Utility service during extreme weather conditions is essential. South Carolina's electric and natural gas utilities must be prepared to provide and quickly restore access to essential services during all reasonably foreseeable weather conditions.

4. On February 19, 2021, Governor Henry McMaster, in a letter to ORS Executive Director Nanette Edwards, stated "[w]e know from experience that South Carolina is prepared for, and stands ready to respond to, hurricanes and other forms of severe weather that occasionally impact our State. However, these recent events serve as a reminder that dangerous ice storms and severe winter weather can often have disastrous consequences." Accordingly, Governor McMaster requested ORS "...undertake a comprehensive review of the State's public and private power grid

¹ Gillian Friedman, *Most power is back, but 300,000 Texas homes and business are still in the dark*, NY Times, Feb. 20, 2021, <https://www.nytimes.com/live/2021/02/18/us/winter-storm-weather-live#we-havent-seen-anything-like-this-a-texas-utility-official-defends-the-agency>

² See Jack Healy, Richard Faussett and James Dobbins, *Cracked Pipes, Frozen Wells, Offline Treatment Plants: A Texan Water Crisis*, NY Times, Feb. 18, 2021, https://www.nytimes.com/2021/02/18/us/texas-water-crisis-winter-storm.html?name=styln-texas-blackout®ion=TOP_BANNER&block=storyline_menu_recirc&action=click&pgtype=Interactive&impression_id=&variant=show

to evaluate its ability to withstand potential ice storms and other dangerous winter weather conditions.”³

5. In order to avoid a replication of the catastrophic disaster in Texas, measures must be taken to identify and mitigate the negative impacts of potential ice storms and other dangerous weather conditions to the provision of essential electric and natural gas services and to ensure peak customer demands on the utility systems can be met during extreme weather scenarios.

6. Therefore, ORS respectfully requests the Commission open a docket and require regulated electric and natural gas utilities, and allow the South Carolina Public Service Authority (“Santee Cooper”), the electric cooperatives, and other non-regulated utilities,⁴ to provide information to the Commission regarding measures the utilities have taken and plan to take to mitigate the negative impacts of potential ice storms and other dangerous weather conditions and to ensure peak customer demands on the utility system can be met during extreme weather scenarios. In this docket, ORS requests the Commission require electric and natural gas utility providers under the jurisdiction of the Commission and other non-regulated utilities to provide, at a minimum, the following information and assessments:

- **Identification of Threats to Utility Service.** Assessment of the potential threats to the utility system and evaluation of the risks to safe and reliable utility service. Threats are anything that may destroy, damage, or disrupt utility service.

³ See Motion Exhibit 1.

⁴ See Letter from Governor McMaster sent on February 19, 2021, in which he stated, “[s]hould ORS request that the PSC commence appropriate proceedings, I would encourage Santee Cooper, the electric cooperatives, and any other utilities not currently subject to the jurisdiction of ORS and the PSC, as well as any additional interested parties, to intervene in the matter to facilitate a comprehensive and collaborative review.”

- **Identification of the Impacts to Utility Service.** Assessment of the extent to which the threat could impact the utility processes, systems, infrastructure, and end-user customers.
- **Assessment of Vulnerabilities.** To what degree will the utility systems and infrastructure be impacted. Vulnerabilities are weaknesses within utility systems, processes or infrastructure.
- **Assessment of Risks to Utility Service.** An evaluation of the potential for loss, damage or destruction of key assets and resources, and factors that could limit the supply of generation over an extended period of extreme weather conditions for each of the state's generation sources.
- **Identification of Resiliency Solutions.** The plans of the utility to anticipate, prepare for, adapt to, withstand, respond to, and recover quickly from service disruptions. Cost impacts to the utility and customers should be identified. Specifically, the impacts to customer bills due to increases in fuel and other costs should be identified.
- **Identification of Other Federal and State Reliability Requirements.** Other federal, state and/or local reliability and resilience requirements including, but not limited to, joint reliability plans or assessments, coordinating agreements, and wholesale purchase agreements.
- **Assessment of Current Utility Processes and Systems to Withstand Potential Ice Storms and other Winter Weather Conditions.** Identification and exercises of utility plans, processes, and infrastructure to determine if current utility preparedness plans to ensure utility service meet peak customer demand under extreme scenarios. Identify areas for improvement and steps taken to address the areas of improvement.

- **Identification of Best Practices, Lessons Learned and Challenges to Utility Service.**

Information related to reliability, lessons learned from similar experiences, and challenges of the provision of safe and reliable utility service under extreme weather conditions and other threats.

WHEREFORE, ORS respectfully requests that the Commission grant this Motion and open an Administrative Docket requiring regulated utilities to provide the above information, and any other information deemed necessary, to the Commission regarding measures the utilities have taken and measures they anticipate taking to mitigate the negative impacts of potential ice storms and other dangerous weather conditions to the provision of safe and reliable utility service, to ensure peak customer demands on the utility system can be met during extreme weather scenarios, and any other matters that the Commission believes should be addressed. ORS requests the procedural schedule set by the Commission allow utilities and other interested stakeholders an opportunity to share information and comment on these topic areas. Should this Motion be granted, the ORS requests that such comments be filed within 90 days of Commission Order granting this Motion.

Respectfully submitted,

s/Andrew M. Bateman
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Attorney for South Carolina Office of
 Regulatory Staff



HENRY McMASTER
GOVERNOR

February 19, 2021

Nanette S. Edwards, Esquire
Executive Director
Office of Regulatory Staff
1401 Main Street, Suite 850
Columbia, South Carolina 29201

Dear Director Edwards:

South Carolinians have watched with great concern as millions of our fellow Americans have faced, and many continue to face, widespread power outages as a result of a rare winter storm. According to recent reports, customers in some areas have been forced to endure dangerous weather conditions without electricity for over a week, while others have simultaneously experienced not only the loss of power but also the disruption of water and other critical utility services.

We know from experience that South Carolina is prepared for, and stands ready to respond to, hurricanes and other forms of severe weather that occasionally impact our State. However, these recent events serve as a reminder that dangerous ice storms and severe winter weather can significantly affect those areas typically unaccustomed to such conditions, and when they do, they often have disastrous consequences. Accordingly, please allow this letter to serve as a formal request that the Office of Regulatory Staff ("ORS") undertake a comprehensive review of our State's public and private power grid to evaluate its ability to withstand potential ice storms and other dangerous winter weather conditions. Upon completion of your review, please prepare a summary of your findings and any recommendations and provide copies of the same to me and to legislative leadership.

It is my understanding that you have already begun contacting stakeholders about these issues and that ORS may submit a request to the Public Service Commission ("PSC") to open a docket or proceeding regarding the same. Although I recognize that ORS does not have regulatory authority over the South Carolina Public Service Authority ("Santee Cooper") and certain other utilities, I would nevertheless ask ORS to include Santee Cooper and all relevant entities in its review. By copy of this letter, I am informing Santee Cooper and representatives of the State's electric cooperatives of the present request and calling on them to assist ORS in this important

Nanette S. Edwards, Esquire

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effort. Should ORS request that the PSC commence appropriate proceedings, I would encourage Santee Cooper, the electric cooperatives, and any other utilities not currently subject to the jurisdiction of ORS and the PSC, as well as any additional interested parties, to intervene in the matter to facilitate a comprehensive and collaborative review. Please keep me informed of your progress and any issues or obstacles that you may encounter during the process.

As always, thank you for your continued service to the State of South Carolina. Of course, if I can be of any assistance regarding this matter or otherwise, please do not hesitate to call.

Yours very truly,

A handwritten signature in blue ink, appearing to read "Henry McMaster", is centered on the page.

Henry McMaster

HM/tl

cc: The Honorable Harvey S. Peeler, Jr.
President of the Senate

The Honorable James H. Lucas
Speaker of the House of Representatives

The Honorable Dan J. Ray
Acting Chairman, Santee Cooper

Mr. Mark B. Bonsall
President & CEO, Santee Cooper

Michael N. Couick, Esquire
President & CEO, Electric Cooperatives of South Carolina, Inc.

Mr. Rob Hochstetler
President & CEO, Central Electric Power Cooperative, Inc.